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PUBLIC HEARING

STATE OF CALIFORNIA

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA JR./CalePA HEADQUARTERS BUILDING

1001 I STREET

COASTAL HEARING ROOM

SACRAMENTO, CA

THURSDAY, NOVEMBER 13, 2008

11:05 A.M.

LINDA KAY RIGEL, CSR  
CERTIFIED SHORTHAND REPORTER  
LICENSE NUMBER 13196

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMITTEE MEMBERS

Ms. Margo Reid Brown, Chair

Mr. Wesley Chesbro, Member

Ms. Rosalie Mule, Member (telephonically)

Ms. Cheryl Peace, Member (telephonically)

Mr. Gary Petersen, Member

STAFF

Mr. Mark Leary, Executive Director

Mr. Howard Levenson, Program Director

Ms. Kristen Garner, Executive Assistant

Ms. Tracey Cottingham, Administrative Assistant

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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1 P R O C E E D I N G S

2 --o0o--

3 CHAIRPERSON BROWN: We will call this meeting  
4 to order, and I'll ask Kristen to call the roll.

5 EXECUTIVE ASSISTANT GARNER: Chesbro?

6 BOARD MEMBER CHESBRO: Here.

7 EXECUTIVE ASSISTANT GARNER: Mule?

8 BOARD MEMBER MULE: Here.

9 EXECUTIVE ASSISTANT GARNER: Peace?

10 BOARD MEMBER PEACE: Here.

11 EXECUTIVE ASSISTANT GARNER: Petersen?

12 BOARD MEMBER PETERSEN: Here.

13 EXECUTIVE ASSISTANT GARNER: Brown?

14 CHAIRPERSON BROWN: Here. We have a quorum.

15 Anybody have any ex partes to report?

16 BOARD MEMBER PEACE: Up to date.

17 BOARD MEMBER MULE: Up to date.

18 CHAIRPERSON BROWN: It appears everybody is up  
19 to date. I will remind everybody in our audience, and  
20 I'll do the same, is to turn your cellphones to  
21 vibrate.

22 There are speaker slips somewhere in the room.  
23 If you intend -- in the back. If you would like to  
24 speak to any of the items on our agenda, please fill  
25 out a form and take it to Kristen.

1           And I'll invite everybody to stand or sit if  
2   you would like to do the Pledge of Allegiance.

3           (Thereupon the Pledge of Allegiance was  
4           recited in unison.)

5           CHAIRPERSON BROWN: Thank you. Okay. I think  
6   first item of business, I'll move to the Executive  
7   Director's report.

8           BOARD MEMBER CHESBRO: Madam Chair, before we  
9   call on Mark, can I say a few words?

10          CHAIRPERSON BROWN: Yes, of course, I  
11   apologize; I should have asked. Do Board Members have  
12   any remarks?

13          BOARD MEMBER CHESBRO: Yes.

14          Madam Chair, members, this is going to be my  
15   last meeting of this Board, unless of course some  
16   future Pro Tem decides to appoint me to another term --  
17   or future governor.

18          But certainly for this go-round, I want to  
19   tell you it has been a really great experience for me  
20   both in terms of the work, which I think you all know  
21   is something I care about very deeply and passionately,  
22   but also in terms of the work with the staff who I have  
23   just the deepest respect and admiration for going back  
24   to when the Board was first created in 1990.

25          Tremendous amount of policy progress has been

1 made in the state. It tends to be kind of the unsung  
2 environmental success story because people take it for  
3 granted. But even though you wish sometimes it would  
4 get more recognition, that's not a bad thing for people  
5 to say of course we are the state that diverts  
6 50 percent of our waste -- plus.

7 But I want to say that, day in and day out,  
8 coming and going of Board Members, the staff are the  
9 ones who have helped local governments, helped  
10 business, helped the citizens of California achieve  
11 these great goals. So you deserve a great deal of  
12 credit, and I will continue to admire the work that you  
13 do.

14 As for my colleagues, let me say that each and  
15 every one of you have really, both by who you are and  
16 the work that you've done, elevated the public  
17 understanding of what we do, public support for what we  
18 do.

19 I think you've all taken the job extremely  
20 seriously and conducted yourselves admirably, and it  
21 will give me great pleasure to go into the Legislature  
22 and advocate on your behalf because of the credibility  
23 of the work that you've done.

24 Bear with me here. I know it's supposed to be  
25 a short meeting, but.

1           Madam Chair, you have elevated the  
2   relationship with the Governor's office, with the  
3   Legislature. You have made sure that this Board  
4   focused on doing things in a more systematic way and  
5   not on a piecemeal basis by getting the Board and the  
6   staff and all the constituent groups to step back and  
7   do strategic thinking.

8           And that didn't exist to a great degree  
9   previously, to put it diplomatically, and which has  
10  made the Board less reactive, more proactive, more able  
11  to be a real meaningful player in policy.

12          And I think it is more fair to the staff too.  
13  They're less apt to be buffeted by the winds this way  
14  and that as new appointees arrive on the Board. Not  
15  that change is bad. It's just that change back and  
16  forth over a short period of time is not such a good  
17  thing.

18          And so I think you deserve huge credit for all  
19  those things, and it's been a great pleasure to get to  
20  know and work with you, and I look forward to  
21  continuing the relationship in my new role.

22          I teased you, Gary, yesterday about how long  
23  we've been around.

24          BOARD MEMBER PETERSEN: Long.

25          BOARD MEMBER CHESBRO: But the reality is that

1    you bring both an understanding of the past and where  
2    all this came from, the present in terms of where we  
3    are, and also where we're going and where we need to be  
4    as only an old recycler could possibly do.

5               BOARD MEMBER PETERSEN:   Old is good.

6               BOARD MEMBER CHESBRO:    So, you know, I've  
7    known you since the days that you were driving down the  
8    street in Santa Monica with your VW bus, and we were  
9    crushing cans in a vacant lot in Arcata, and it turned  
10   into this statewide, national, and international  
11   economic force that it is.

12              And it's been really great to share the time  
13   with you and to watch the leadership that you've  
14   provided on the Board.

15              Rosalie, you're there, right?

16              BOARD MEMBER MULE:    Yes, I am --

17              BOARD MEMBER CHESBRO:   Oh, good.

18              BOARD MEMBER MULE:    -- spreading the word  
19   about the best-kept secret in government.

20              BOARD MEMBER CHESBRO:   Well, the thing that  
21   you, Rosalie, bring to the Board particularly I think  
22   is a reflection of the progress of the industry.  
23   Because you're the industry representative, but you're  
24   here every bit the recycling advocate, every bit the  
25   waste reduction advocate, every bit the recycling



1 infrastructure advocate that any of us are.

2 And I think that's very reflective of the  
3 progress that the industry has made that they have  
4 chosen to support someone like you representing them in  
5 this position.

6 And of course I know you share the recycling  
7 background that some of us have as well and got your  
8 start doing the same thing Gary and I did, so that has  
9 also brought a great perspective to the Board.

10 Cheryl, I want to say to you: You work harder  
11 and read more documents and take this job more  
12 seriously than I think any of us do. And, you know,  
13 sometimes that takes courage and tenacity, and  
14 sometimes some of us have been momentarily impatient  
15 with you because of your penchant for detail.

16 But you know, that's really needed on a policy  
17 board. And you have proven yourself an invaluable  
18 member and it's a great contribution, and I want to  
19 thank you for that good, hard work that has helped to  
20 build the Board's reputation and establish the  
21 credibility that we have.

22 And of course there is a former Board Member  
23 with us, Mr. Danziger, who has continued fortunately to  
24 be of service to the Board. And what we most miss,  
25 since you don't officially have the microphone, is that

1    you were our closer.  You have a way with words, you  
2    have an ability to summarize and encapsulate the moment  
3    and what needs to be done and where we need to go in a  
4    way that I'm afraid none of the rest of us have the  
5    same gift.  Although you've offered many times, and  
6    I'll take you up on it, to write those words down for  
7    me.

8               MR. DANZIGER:  You've just proven you can play  
9    that role.

10              BOARD MEMBER CHESBRO:  But Jeff, you also --  
11    going back to the first days of the Board, you were an  
12    advisor to a Board Member when I arrived here and have  
13    also been a source of continuity and working knowledge  
14    of these programs that have helped to build the  
15    continuity of what we do, and I also want to express my  
16    appreciation to you.

17              All that being said, I think even though we've  
18    got the dark clouds on the horizon, to say the least,  
19    of what's going on with the economy, I believe that the  
20    momentum that has been built up, in part thanks to our  
21    Governor, in part thanks to Al Gore -- see, I'll be  
22    very bipartisan here -- but the public is there, and  
23    the business community is there, and we're ready to  
24    move.

25              And I think there is a great future both for

1 reversing global warming but also for building the  
2 programs this Board is responsible to as a significant,  
3 essential component in that.

4           And you all I think already know this, but I  
5 offer my partnership as a legislator to hopefully take  
6 the next grand steps that we need to take to continue  
7 to have California provide global leadership and make  
8 sure that those who are responsible for the larger  
9 global warming picture are keeping waste and materials  
10 management and recycling as a leg in the stool that's  
11 every bit as significant as smokestacks and tailpipes  
12 are.

13           And I know that's the goal of every member of  
14 this Board, and I'll be happy over there in the  
15 Legislature to try to see that that's reflected in the  
16 legislative progress that's necessary for this Board to  
17 expand waste diversion in California. And it's been a  
18 lifelong passion of mine, and I think will be to my  
19 last breath.

20           So I look forward to continuing to work  
21 closely with you and thank you for being so responsive  
22 and supportive to my views during the times that I've  
23 been here.

24           I couldn't believe that I walked in the door,  
25 and you all had just finished that strategic plan, and

1 it was the last step, and I said yeah, but what about  
2 this and this and this? And instead of saying sorry,  
3 you weren't here, you listened -- and I just -- that  
4 was awesome, so. I have felt greatly listened to and  
5 respected during my time here and I appreciate that  
6 very much. Thank you.

7 (Applause)

8 CHAIRPERSON BROWN: Thank you, Wes. I think  
9 you've left us all speechless. But thank you very much  
10 for your kind words.

11 I will let you all know we did not want to let  
12 this day pass, but Wes has graciously agreed to join us  
13 in December so that we can do our own special  
14 recognition and thank you.

15 BOARD MEMBER CHESBRO: I promise I won't talk  
16 again so long then.

17 CHAIRPERSON BROWN: We're very open, we all  
18 talk a lot. I think that's one of the things we're all  
19 known for is we all talk a lot, so you can have as much  
20 time as you want, especially when we have a short Board  
21 meeting.

22 But thank you. We certainly will miss you and  
23 look forward to your advocacy on our behalf over in the  
24 Legislature.

25 BOARD MEMBER PETERSEN: You bet.

1           CHAIRPERSON BROWN:   Okay.   Mark, now your  
2   turn.   Top that.

3           EXECUTIVE DIRECTOR LEARY:   Thank you, Madam  
4   Chair.   Thank you, members, and thank you, Wes, for  
5   your kind words about staff.   And as Margo said, we'll  
6   have more to offer in terms of our perspective about  
7   your contribution and your support for the staff of our  
8   organization and the work we do.

9           Madam Chair, members, and distant members, I'd  
10   like to do a little report on the state of the economy  
11   as it affects the Board, just very briefly, and set the  
12   stage for further conversations and real data and real  
13   information in the coming months.

14           But as the administration and the Legislature  
15   focus on General Fund shortfall, because we're Special  
16   Funded we often tend to think that we might escape the  
17   wrath of reduced revenues when in fact the economy has  
18   affected all revenue coming in to the State, and it has  
19   in fact -- we're starting to see the effect on ours.

20           I want to caution my remarks by suggesting we  
21   don't need to do anything differently right now.   Our  
22   fund conditions are such that the current fiscal year  
23   we're just fine.

24           But as we think ahead and plan for future  
25   budget years, and as revenues continue to decline, we

1 may need to make some adjustments, and we'll have some  
2 conversations as we go forward into the future.

3 But we are in fact seeing, as you might  
4 expect, a pretty quick drop-off in the oil fund. I  
5 think you can attribute that to less driving with the  
6 higher gas prices, but I think we also can take some  
7 credit for that one.

8 I think there's been a lot of success and a  
9 lot of attention drawn to the 3,000 myth -- 3,000 Mile  
10 Myth campaign of the Board's that has gotten so much  
11 attention earlier in the year, and I think that is at  
12 least in part a contribution to the diminished revenues  
13 in the oil fund.

14 Tire sales are down. Electronic sales are  
15 down. And because of the depressed economy and its  
16 effect on housing, new construction is down. And as a  
17 result we're seeing a decrease in the IWMA, the tip fee  
18 for waste that goes into the landfills in the State of  
19 California.

20 Not necessarily a bad thing, obviously. I  
21 mean, if we're ultimately successful in our mission, we  
22 will put ourselves all out of work someday in the  
23 distant future. But in the meantime, we may have to  
24 adjust our ability to do programs as a -- in light of  
25 those decreased revenues.

1           So that's about all I want to say, and I will  
2   come back with more specifics and more details into the  
3   future, but I just wanted to put you on notice,  
4   primarily to also indicate we're on top of this.

5           And I want to thank Tom and his staff who are  
6   tracking our revenues very closely and are doing some  
7   pretty sophisticated projections into the future as to  
8   how this will work and how it will play out for us.  
9   And I really appreciate having that resource available  
10   to us as we think about our future.

11           Anyway, I'll conclude with that, and if  
12   there's any questions I'd be happy to take them.

13           CHAIRPERSON BROWN: Thank you, Mark. Any  
14   questions?

15           BOARD MEMBER CHESBRO: Only to say that the  
16   strangeness of our funding sources is that, you know,  
17   good news is bad news. That if people are doing what  
18   we're asking them to do, then revenue sources  
19   evaporate.

20           EXECUTIVE DIRECTOR LEARY: Absolutely.

21           CHAIRPERSON BROWN: That is true. The idea is  
22   to put ourselves out of business. Okay.

23           With that, we will move to the agenda. The  
24   Consent Agenda is items 2 or 3 are on consent. Do any  
25   members wish to pull any --

1 BOARD MEMBER PEACE: 2 and 3? 3 and 4.

2 CHAIRPERSON BROWN: 3 and 4.

3 BOARD MEMBER CHESBRO: You see what I mean  
4 about paying attention to those details?

5 CHAIRPERSON BROWN: Cheryl, thank you so much.  
6 Sorry -- 3 and 4. I misspoke. Thank you. 3 and 4 are  
7 on consent. 6 will be heard as a fiscal consent item.  
8 1 and 4 were pulled -- 1 and 2 were -- okay.

9 BOARD MEMBER PEACE: 1 was heard, 2 was  
10 pulled.

11 CHAIRPERSON BROWN: Thank you. 2 was pulled;  
12 1 and 4 were heard -- 1 and 5 were heard in committee  
13 only. Sorry.

14 BOARD MEMBER PEACE: That's okay.

15 CHAIRPERSON BROWN: I'm just -- I'm just  
16 killing time here, you know. If I don't allow  
17 everybody to speak we're going to be done in five  
18 minutes, so you all gotta speak up and help me through  
19 this one. Okay.

20 Let's review that once again. Consent will be  
21 3 and 4. Items 1 and 5 were heard in committee.  
22 Item 2 was pulled, and no items will be heard today by  
23 the full Board. Does anybody wish to pull item 3 --

24 BOARD MEMBER PEACE: 6 is on fiscal consent,  
25 right?



1 CHAIRPERSON BROWN: I said 6 on fiscal  
2 consent, didn't I?

3 BOARD MEMBER PEACE: Okay. Sorry.

4 CHAIRPERSON BROWN: Sorry. Anybody wish to  
5 pull any items from the Consent Calendar?

6 BOARD MEMBER PEACE: Madam Chair, I'd like to  
7 move the Consent Agenda.

8 BOARD MEMBER CHESBRO: Second.

9 CHAIRPERSON BROWN: It's been moved by member  
10 Mule and seconded by member Chesbro. Kristen, can you  
11 call the roll?

12 EXECUTIVE ASSISTANT GARNER: Chesbro?

13 BOARD MEMBER CHESBRO: Aye.

14 EXECUTIVE ASSISTANT GARNER: Mule?

15 BOARD MEMBER MULE: Aye.

16 EXECUTIVE ASSISTANT GARNER: Peace?

17 BOARD MEMBER PEACE: Aye.

18 EXECUTIVE ASSISTANT GARNER: Peterson?

19 BOARD MEMBER PETERSEN: Aye.

20 EXECUTIVE ASSISTANT GARNER: Brown.

21 CHAIRPERSON BROWN: Aye. Thank you. The  
22 Consent Agenda passes, and we'll move next to Fiscal  
23 Consent item number 6. Howard.

24 PROGRAM DIRECTOR LEVENSON: Thank you, Madam  
25 Chair. Howard Levenson, with the Sustainability

1 Program. I'll just make a very short presentation on  
2 this item, which is consideration of the contractor for  
3 the cost study on commercial recycling. We had a  
4 pretty good discussion about this yesterday.

5 So this item is requesting your consideration  
6 of the contractor for this study. It's a very critical  
7 study for us in terms of the information we need to  
8 foster advancement of commercial recycling within the  
9 AB 32 scoping plan process and also for our own  
10 diversion efforts in the future for local jurisdiction  
11 efforts.

12 We went through a competitive bidding process,  
13 and we are recommending that you approve the proposed  
14 contractor, HF&H Consultants, for this cost study for  
15 an amount not to exceed \$348,330, and that you adopt  
16 Resolution 2008-178, revised.

17 We'd be happy to answer or provide any more  
18 detail, but I think you had pretty ample discussion  
19 yesterday.

20 CHAIRPERSON BROWN: We did. Any questions?  
21 Okay. Can I have a motion?

22 BOARD MEMBER PETERSEN: I'll move item  
23 2008-178.

24 BOARD MEMBER CHESBRO: Second.

25 CHAIRPERSON BROWN: It's been moved by member

1 Peterson, seconded by member Chesbro. Kristen, can you  
2 call the roll?

3 EXECUTIVE ASSISTANT GARNER: Chesbro?

4 BOARD MEMBER CHESBRO: Aye.

5 EXECUTIVE ASSISTANT GARNER: Mule?

6 BOARD MEMBER MULE: Aye.

7 EXECUTIVE ASSISTANT GARNER: Peace?

8 BOARD MEMBER PEACE: Aye.

9 EXECUTIVE ASSISTANT GARNER: Peterson?

10 BOARD MEMBER PETERSEN: Aye.

11 EXECUTIVE ASSISTANT GARNER: Brown?

12 CHAIRPERSON BROWN: Aye. Okay. Fiscal item  
13 passes. Any other new business for members --  
14 Committee Chair Peterson, did you have a committee  
15 report that you'd like to share with us?

16 BOARD MEMBER PETERSEN: Oh, no, it's all done.

17 CHAIRPERSON BROWN: Okay.

18 BOARD MEMBER PETERSEN: Thank you.

19 CHAIRPERSON BROWN: Committee Chair Mule, did  
20 you have a committee report that you wanted to present?

21 BOARD MEMBER MULE: Well, we just heard the  
22 one item which -- for the landfill gas, active landfill  
23 gas regulations, where we did provide direction to  
24 staff to go out for an additional 15-day comment  
25 period. And that's it.

1           CHAIRPERSON BROWN: Thank you. I think that  
2 includes our business for today. Thank you for joining  
3 us, Rosalie and Cheryl. Okay.

4           BOARD MEMBER MULE: No problem, worked out  
5 well.

6           CHAIRPERSON BROWN: Good. Thank you; we'll  
7 see you next week.

8           BOARD MEMBER MULE: See you next week.

9           CHAIRPERSON BROWN: Or the week after.

10          BOARD MEMBER MULE: Thank you.

11          CHAIRPERSON BROWN: Okay, bye.

12          BOARD MEMBER PEACE: Okay, goodbye all.  
13 Aloha.

14                               \*    \*    \*

15           (Thereupon the CALIFORNIA INTEGRATED  
16           WASTE MANAGEMENT BOARD meeting adjourned  
17           at 11:28 a.m.)

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1 CERTIFICATE OF REPORTER

2 I, LINDA KAY RIGEL, a Certified Shorthand  
3 Reporter of the State of California, do hereby certify:

4 That I am a disinterested person herein; that  
5 the foregoing CALIFORNIA INTEGRATED WASTE MANAGEMENT  
6 BOARD meeting was reported in shorthand by me, Linda  
7 Kay Rigel, a Certified Shorthand Reporter of the State  
8 of California, and thereafter transcribed into  
9 typewriting.

10 I further certify that I am not of counsel or  
11 attorney for any of the parties to said meeting nor in  
12 any way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my  
14 hand this November 14, 2008.

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19 LINDA KAY RIGEL, CSR  
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